



Investing for life's goals

TIAA CREF Financial Services

TIAA-CREF Financial Essentials



Investing for life's goals

1. Define and prioritize your goal and time horizon
2. Understand risk and return trade-off
3. Diversify adequately
4. Watch for expenses
5. Investment strategy examples
6. How we can help



Define your goal and time horizon

- Retirement savings
- Education savings
- Home purchase
- Leisure travel
- Capital preservation
- Paying off credit card debt





Before you invest, prioritize where your savings should go

1. Build a six-month emergency cash cushion
2. Pay off all credit card debt
3. Maximize contribution to your retirement savings plan
4. Supplement your retirement savings plan with additional savings with an IRA
5. Save for other important needs

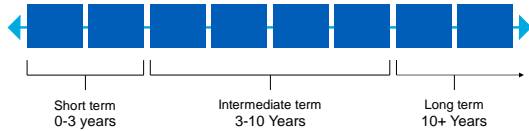




Understand your time horizon

Retirement savings
Education savings
Home purchase

Leisure travel
Capital preservation
Credit card debt





Know your risk tolerance

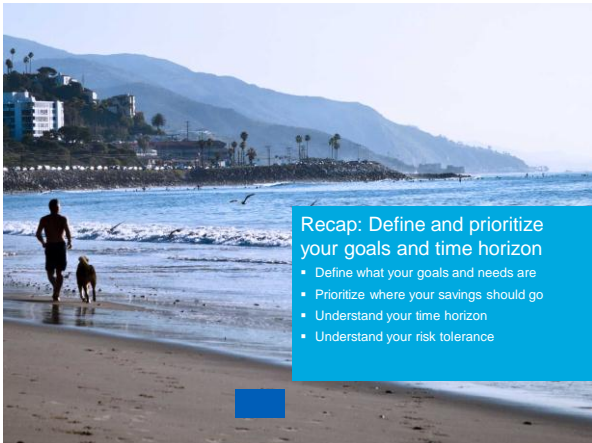
- Conservative
- Moderately conservative
- Moderate
- Moderately aggressive
- Aggressive





Define your goal and time horizon

- To achieve your goal you need to make savings a priority and a habit
- Preparing a budget could help you stick to a regular savings plan
- Sticking to a budget may require cutting out some less important expenses



Recap: Define and prioritize your goals and time horizon

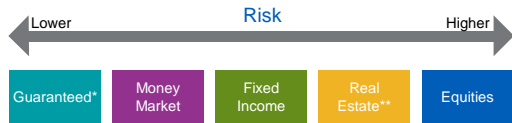
- Define what your goals and needs are
- Prioritize where your savings should go
- Understand your time horizon
- Understand your risk tolerance



Develop an investment strategy

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TIAA-CREF asset classes



There are inherent risks in investing in securities. Past performance is no guarantee of future results. In addition, investment returns and principal value will fluctuate so your accumulation, when redeemed, may be worth more or less than the original cost.
 * Subject to TIAA's claims-paying ability.
 ** In California, the TIAA Real Estate Account is available through IRAs, but not all employer-sponsored plans. Please contact us to determine if your institution's plan can accept investments into the account.

The concept of investment risk

How time helps manage risk

The range of annual total returns for common stocks* (1926-2012)

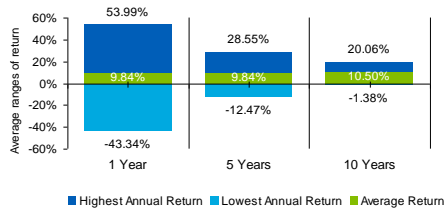


Chart illustrates returns from 1/1/1926 - 12/31/2011. Source: © Ibbotson Associates, a wholly owned subsidiary of Morningstar, Inc. These returns are illustrative only and do not reflect TIAA-CREF performance; past performance isn't indicative of future results. Benchmark: Ibbotson Associates, Inc., S&P 500 Index. You cannot invest directly into an index.

The concept of investment risk

How time helps manage risk

The range of annual total returns for corporate bonds (1926-2012)

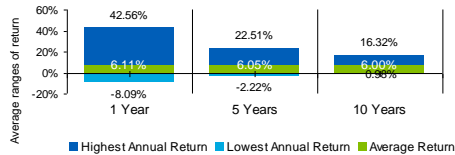


Chart illustrates returns from 1/1/1926 - 12/31/2012. Source: © Ibbotson Associates, a wholly owned subsidiary of Morningstar, Inc. These returns are illustrative only and do not reflect TIAA-CREF performance; past performance isn't indicative of future results. Benchmark: Ibbotson U.S. Long-Term Corporate Bonds. You cannot invest directly into an index.



Market timing is not a sound investment strategy

- Market timing is attempting to improve one's returns by buying and selling investments to beat market forecasts
- This strategy has a very low chance of success
- The best approach to an investment plan is diversification and not attempting to time the market





Recap: Understand risk and return trade-off

- You should probably choose investments from at least three of the five TIAA-CREF asset classes
- Diversification helps manage risk
- Time helps manage risk
- Market timing is not a sound investment strategy



Develop an investment strategy

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Diversify adequately*

Types of Diversification	Asset Classes
<ul style="list-style-type: none"> Asset classes Industry Company size Maturity of bonds Credit quality Domestic vs. International 	<ul style="list-style-type: none"> Equities (Stocks) Fixed Income (Bonds) Cash (Money Market) Real Estate

* Diversification is a technique to help reduce risk. There is no guarantee that diversification will protect against a loss of income.

Diversify your holdings*

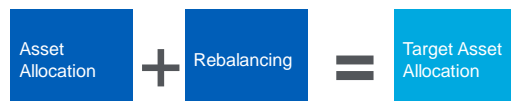
This is an important investment principle for the following reasons:

- Diversification is the 'Don't put all your eggs in one basket' tenet of investing
- Diversification helps mitigate against volatility because different asset classes perform differently during the same time
- An adequately diversified portfolio may help reinforce growth of investments because as one asset class declines in value another asset may grow in value



* Diversification does not guarantee against loss.

Maintain diversification*



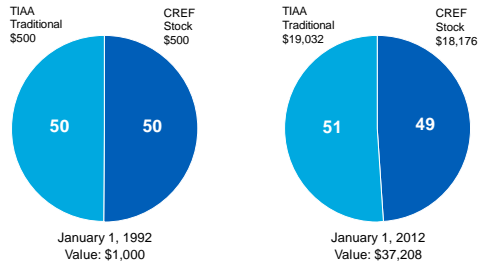
Review your asset allocation strategy every 1-2 years

* Rebalancing or diversification does not protect against loss or guarantee that an investor's goals or objectives will be met.

Allocate Assets Instead of Timing the Market



Rebalance your portfolio



Based on \$1,000 invested on 1/1 every year from 1/1/1992 to 1/1/2012. Illustration is not a guarantee of future results.

Benefits of rebalancing*

- Helps keep to your targeted allocation
- Encourages a disciplined investment strategy
- Reduces frequency of allocation decisions
- Tools to help keep your asset allocation on track at tiaa-cref.org



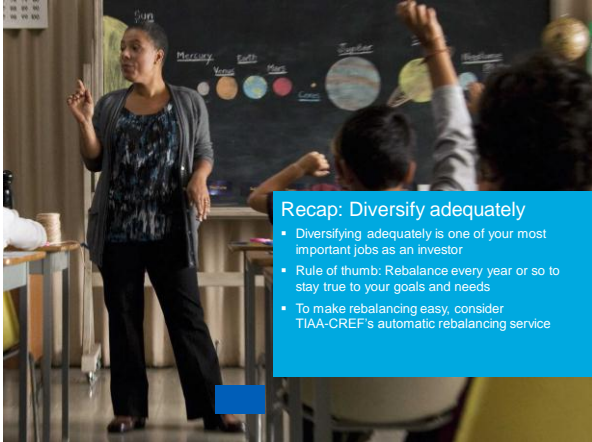
* Rebalancing does not protect against loss or guarantee that an investor's goals or objectives will be met.

TIAA-CREF's rebalancing service*

- Rebalancing service from TIAA-CREF at no additional charge
- Automatic annual rebalancing to your target allocation
- Rebalancing occurs once a year on your birthday if one fund is at least 1% off target



* Rebalancing or diversification does not protect against loss or guarantee that an investor's goals or objectives will be met.







Watch for expenses

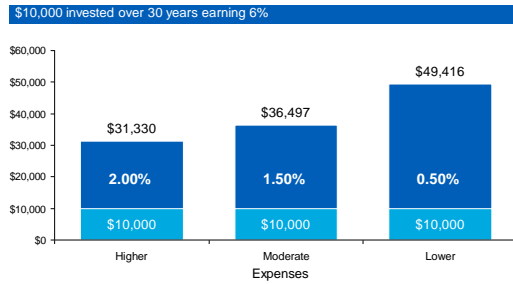
- Expenses are important to watch with your investments
- Higher expenses reduce your investment savings*
- A small difference in expenses can translate into a significant loss of savings over many years
- It is important to regularly review expenses over time



* However, lower expenses do not mean higher returns.



The impact of expenses



This chart assumes expenses are withdrawn from the account at year-end, based on year-end assets. It is purely hypothetical and is presented for illustrative purposes only and does not reflect actual performance, deduction of taxes or predict future results of any TIAA-CREF account. Before committing money to an account, be sure to check its expenses. Refer to the prospectuses available at this seminar for current expenses.

Recap: Watch for expenses

- Higher expenses means less money stays in your account working for you
- This can mean a significantly less savings over many years
- It's important to regularly review your expenses over time

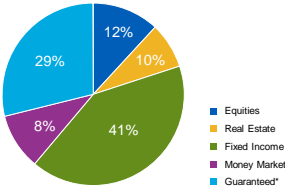


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Asset allocation is important

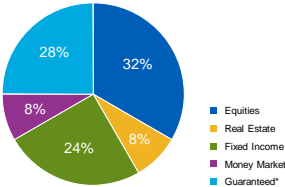
Conservative



* Based on the claims-paying ability of the issuer.
The specific asset allocations shown in the model portfolios were generated by Ibbotson Associates, one of the nation's leading financial advisors. They are based on well-known optimization techniques, using historical return, volatility and correlation data from indices like the Russell 1000 stock index. This optimization procedure is based on assumptions about historical market data, and future market conditions may vary from these assumptions. The model portfolios presented here were not created specifically for you and may not take into account your particular retirement goals or investment preferences. The ultimate allocation decision is up to you after you have considered investment information that pertains to your own personal circumstances. Used with permission. ©2012 Ibbotson Associates, Inc. All rights reserved.

Asset allocation is important

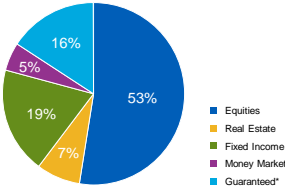
Moderately conservative



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Asset allocation is important

Moderate



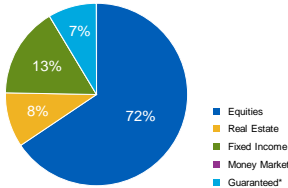
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Know Your Risk Tolerance

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Asset allocation is important

Moderately aggressive



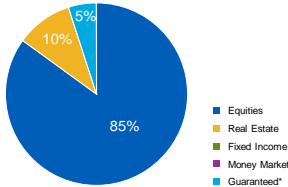
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Know Your Risk Tolerance

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Asset allocation is important

Aggressive

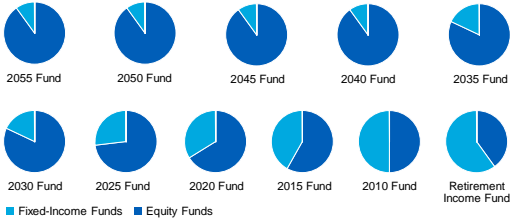


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Asset Allocation

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Lifecycle Funds provide age-appropriate allocations



As with all mutual funds, the principal value of a Lifecycle Fund isn't guaranteed. Also, please note that the target date of the Lifecycle Fund is an approximate date when investors may plan to begin withdrawing from the fund. Approximately seven to ten years after a Lifecycle Fund's target date, the fund may merge into the Lifecycle Retirement Income Fund or a similar fund.

The charts are only visual representations of the target date, fixed income and equity percentages. Please refer to the prospectus for the funds for more details on asset allocation for each of the target date funds.
TIAA-CREF Lifecycle Funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the Lifecycle Funds, there is exposure to the fees and expenses associated with the underlying mutual funds as well.



Benefits of Lifecycle Funds

- The investor chooses the fund closest to his/her retirement date
- The fund automatically adjusts the asset allocation over time as the individual gets closer to retirement
- The funds invest more conservatively as the individual gets closer to retirement
- The investor does not need to rebalance on his/her own



In addition to the fees and expenses associated with the lifecycle funds, there are fees and expenses associated with the underlying investment options.



Recap: Investment strategy examples

- Asset allocation is key
- Consider your goals, time horizon, risk tolerance, investment preferences
- Diversify adequately
- Consider a TIAA-CREF Lifecycle Fund for the benefits of professional management.



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The TIAA-CREF advantage

- An investment philosophy that seeks consistent growth over the long term
- Some of the industry's lowest mutual fund expenses*
- Personal, objective advice from experienced Financial Consultants
- Availability to meet at our office or yours



* The expense ratio on all mutual fund products and Variable Annuity Accounts managed by TIAA-CREF are generally less than half the mutual fund industry average.
Source: Morningstar Direct (September 2012), based on Morningstar expense comparisons by category.

Take action

- Review your investment goals
- Know your time horizon and risk tolerance
- Diversify adequately
- Choose appropriate investments
- Watch your expenses

Diversification is a technique to help reduce risk. There is no absolute guarantee that diversification will protect against a loss of income.



Please keep in mind that there are risks associated with investing in securities including loss of principal.

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 Twitter.com/TC_Talks

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 Explore what's next™
 redefining retirement

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iTunes podcasts



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Life Insurance


College savings
and other
priorities

Brokerage
Services

Tax-advantaged
saving

Mutual Funds


No-fee IRAs*



* There is no account fee to own a TIAA-CREF IRA; however, brokerage transaction fees may apply. In addition, investors are subject to the underlying fund's portfolio management fees and expenses. The products and services referenced above are offered by various entities within the TIAA-CREF organization.

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Take the next step



Call us at 800 842-2252
Visit us at:
www.tiaa-cref.org/iowa





You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or visit tiaa-cref.org for a prospectus that contains this and other information. Please read the prospectus carefully before investing.

Investment products, insurance and annuity products: are not FDIC insured, are not bank guaranteed, are not bank deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

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